

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6814

BILL NUMBER: SB 244

NOTE PREPARED: Mar 26, 2009

BILL AMENDED: Mar 23, 2009

SUBJECT: Offender Reentry Administrative Account.

FIRST AUTHOR: Sen. Young R Michael

FIRST SPONSOR: Rep. L. Lawson

BILL STATUS: As Passed House

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

- A. It requires the Department of Correction (DOC) to provide inmates who are projected to be released before they are 80 years of age and who earn income in the DOC with an offender reentry administrative account (OEAA).
- B. It requires that between 10% and 20% of an inmate's earnings be deposited in an OEAA. DOC would be required to issue these inmates a check for the balance in their OEAA when they are released or discharged from incarceration by the DOC.
- C. It provides that an offender who has filed at least three civil actions that have been dismissed as frivolous may not file a new action in forma pauperis unless the offender is in immediate danger of serious bodily injury.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *Administrative Costs to Create New Accounts for Offenders*—DOC and the Auditor's Office may incur some administrative costs to create these new accounts although no new staff will be needed. Currently, an average of 261 offenders were employed in the programs during CY 2008.

(Revised) *In Forma Pauperis* – This bill is expected to have a minimal effect on court expenditures. The bill would allow more offenders to file claims against the Department of Correction, but the added number would not likely be significant.

Unless plaintiffs are permitted to file "in forma pauperis", they must pay a filing fee at either the trial or appeal level and submit any court documents in a specific font style and size that could only be produced on

a computer printer.

Under state court rules, parties who are permitted to proceed in forma pauperis are not required to prepay filing fees in actions at either the trial court or appellate level. They may also file legibly handwritten or typewritten briefs and other papers. (Indiana Rules of Appellate Procedure)

Background— In Forma Pauperis: Offenders who are affected by this bill include persons committed to the DOC or incarcerated in a jail. (IC 34-6-2-89)

The Office of the Attorney General maintains a file on its website that records the number of offenders who have filed frivolous lawsuits. As of November 6, 2008, 59 offenders were reported to have filed one or more lawsuits that a court has determined to be frivolous.

Offenders Identified by DOC As Frivolous Litigators	
Number of Frivolous Lawsuits	Number of Offenders
One	45
Two	7
Three	3
Four	2
Ten	1
21	1
Total Offenders	59
Source: Office of the Attorney General	

The Office of the Attorney General reports that in CY 2007, the state of Indiana paid out \$6,918.80 to 51 offenders. Payments ranged from a low of \$3.90 to a high of \$1,500. The average payment was \$135.

Prison Industries Enhancement Program: Under current law, offenders in DOC facilities can work in the Prison Industries Enhancement Program (PIE). Offenders in the PIE program work in joint ventures with private sector companies to produce offender-made goods that are sold in interstate commerce. These offenders are paid prevailing wages (IC 11-10-7-3), which were around \$7.82 per hour between July 1 and September 30, 2008. By law, the earnings of these offenders are surrendered to the DOC where money is deducted for room and board expenses, state and federal taxes, victims compensation, and child support, if ordered by a court. Not less than 20% may be retained by the offender in an account that is administered by DOC.

The number of offenders employed in PIE programs who are projected to be released from DOC before they are 80 years of age is not currently available.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DOC; Office of the Attorney General

Local Agencies Affected: County sheriffs; Trial courts

Information Sources: Rebecca Deeb, DOC; National Correctional Industries Association, <http://www.nationalcia.org/>; Office of the Attorney General <<http://atgindsha01.atg.in.gov/legal/litigation/litscreen/>> Appellate Rule 40 Motion to Proceed In Forma Pauperis. <<http://www.in.gov/judiciary/rules/appellate/#r40>> Office of the Attorney General – Annual Tort Report Detail, CY 2007.

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